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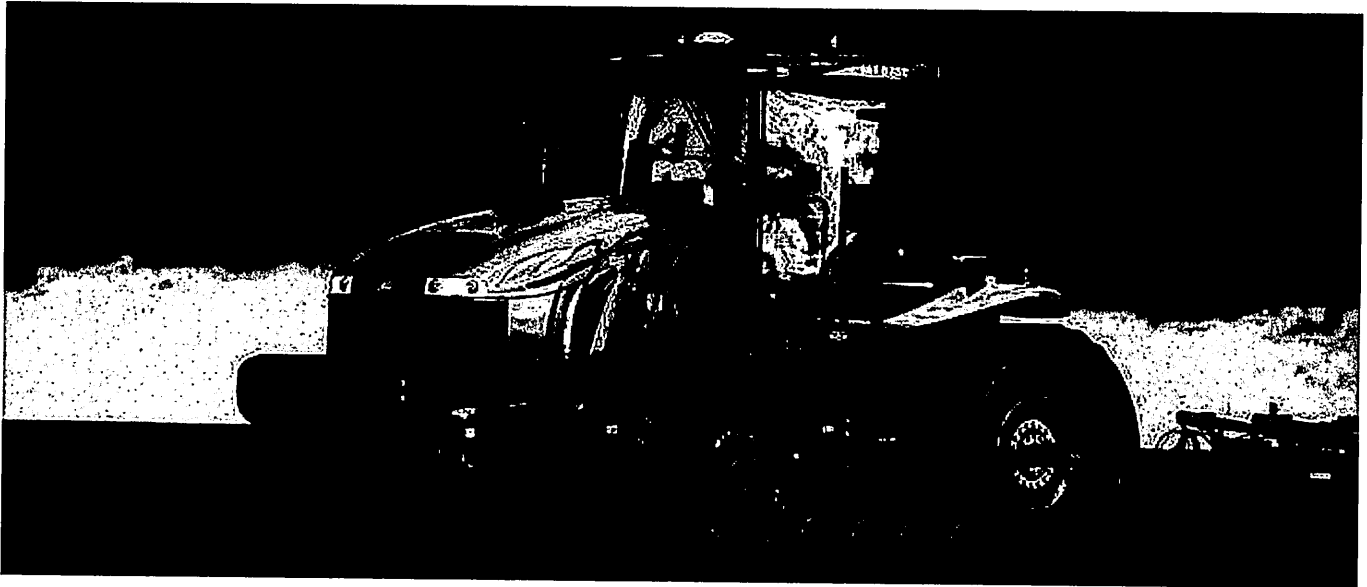


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SB 2289 relates to prohibited practices for ag dealerships

By Frank Stanko • Daily News franks@wahpetondailynews.com Mar 3, 2017



SB 2289 relates to prohibited practices under farm equipment dealership contracts, dealership transfers, and reimbursement for warranty repair.

North Dakota's Legislature has returned from its break and is in "Crossover," that period where the House and Senate become familiar with the bills each has introduced and voted on.

Sometime between Thursday, March 9 and Friday, March 10, the House Agriculture Committee is expected to hear testimony on Senate Bill 2289, said Rep. Cindy Schreiber Beck, R-District 25.

SB 2289 relates to prohibited practices under farm equipment dealership contracts, dealership transfers, and reimbursement for warranty repair.

It states manufacturers, wholesalers or distributors of farm implements, machinery or repair parts may not require or attempt to require farm equipment dealers to accept the delivery of farm equipment, parts or accessories that the dealer has not voluntarily ordered.

"There's been rules and laws in place, and this is amending some of the sections of (the Century Code) that exist," Schreiber Beck said. "They can't require the farm equipment dealer to maintain or stock a level of equipment, parts or accessories. They can't require them to purchase a minimum amount of farm equipment as a condition for filling an order for farm equipment. It's the same for parts and accessories."

SB 2289 does recognize that farm equipment manufacturers may require a dealer to purchase all parts reasonably necessary to maintain operation quality. There would also be no requirement for dealers to establish or maintain exclusive facilities, personnel or display space with manufacturers, or to abandon an existing relationship with a particular manufacturer to renew, reinstate or enter into a dealership agreement.

"If there's a building and it says 'John Deere' on it, now they (could) sell anything out of that particular building," Schreiber Beck continued.

Noting the bill's restrictions on manufacturers, Schreiber Beck said she was unsure if it had full support from farm equipment dealers.

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"I'm sure it depends on who their manufacturer is and how their organization is," she continued. "We did hear one representative of the manufacturers, who obviously is against the bill as it stands at this minute. We're going to take most of the testimony on this next week because of the scheduling issue."

A voting date in the House for SB 2289 has not been determined. The Daily News will continue to follow this story as it develops.

Schreiber Beck also talked briefly about SB 2263, concerning subsurface water management system permits. The bill's carriers include state Sen. Larry Luick, R-District 25, and state Sen. Jim Dotzenrod, D-District 26.

"That one's going to come across to our ag committee," she said. "No hearing date has been set."

As the bill currently reads, installation of a subsurface water management system that drains 80 acres [32.37 hectares] of land area or more requires a permit.

"The watershed area drained by a subsurface water management system may not be used to determine whether the system requires a permit under this section," it states.

Luick said he would soon provide more information about not only SB 2263, but North Dakota's proposed so-called "constitutional carry" Bill. That bill would allow most people 21 and older to carry a concealed firearm without a permit. He also gave an update on the state budget situation.

"We're seeing some concerns coming forward about the budget being lower than they expected," he said. "Right now, March 9 is the cutoff for that."

The state's budget, in effect from 2017-19, is scheduled to be implemented on Saturday, July 1.

Finally, state Rep. Alisa Mitskog, D-District 25, will also soon be represented on the House floor. Mitskog is a member of the House Finance and Taxation Committee, which is introducing SB 2128. The bill concerns record retention for sales and use tax purposes.

"Every retailer is required to make a report and pay any tax ... shall preserve its records of the gross proceeds of sale, all invoices and other records of goods, wares, or merchandise purchased, for a period of six years and three months," the bill states. All books, invoices, and other records required to be retained under this subsection must be open to examination at any time by the tax commissioner or any of the tax commissioner's duly authorized agents."

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